

MEETING SUMMARY

The following is a summary of issues discussed at DLLR Stat on October 9, 2014. Analysis provided by StateStat.

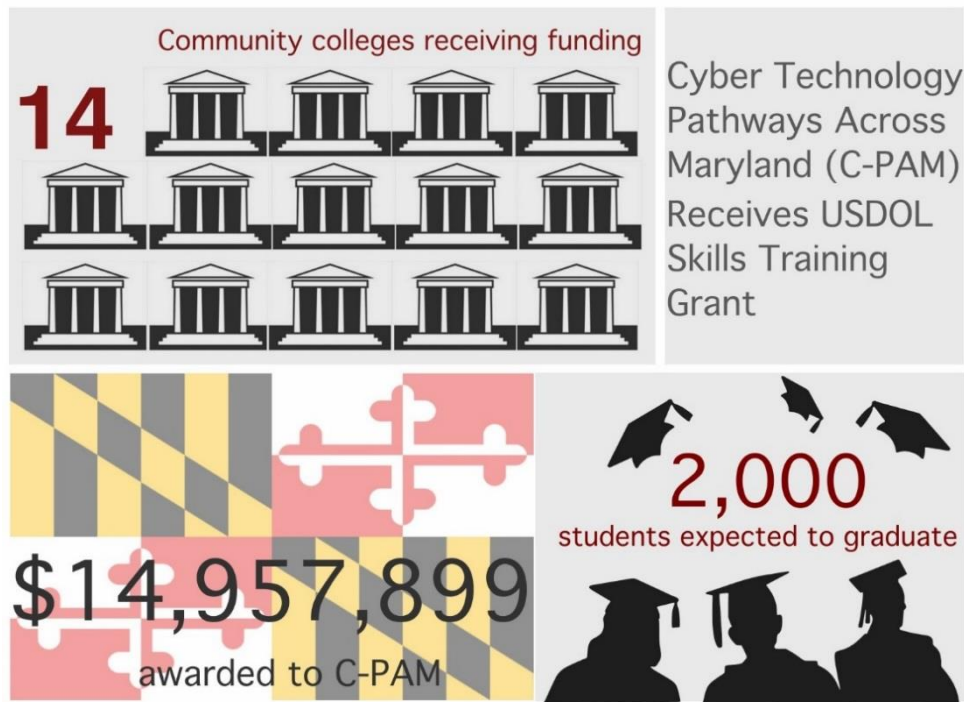
USDOL Workforce Training Grant

- **Maryland awarded nearly \$15 M USDOL grant to develop cybersecurity training programs for Maryland workers; grantees expect to train and graduate nearly 2,000 students over next three years.** Last month, the U.S. Department of Labor [announced](#) that Maryland was awarded a nearly \$15 M Trade Adjustment Assistance Community College and Career Training Grant (TAACCT). Maryland's award is part of the fourth and final round of TAACCT grants; [over the past three years the US Department of Labor has awarded \\$450 M to 800 colleges nationwide](#). Previous grantees have leveraged strong partnerships between community colleges, the workforce system, employers and industry groups to transform the way they design and deliver courses through accelerated learning strategies, redesigned curricula, distance learning, work-based training, such as [Registered Apprenticeships](#), and innovative uses of technology to enhance learning activities.

Maryland's application was led by Maryland's Cyber Technology Pathways across Maryland Consortium (C-PAM), a cyber job training program that brings together community colleges statewide. Led by Montgomery College, C-PAM boasts partnerships with over 40 cyber employers, including military contractors and medical facilities. C-PAM received bipartisan support from Maryland's Congressional Delegation for its application.

A total of 14 community colleges in Maryland will benefit from the \$14,957,899 in funding to support job-driven training programs. The funding will be used to develop new classes and certifications, hire and train instructors for high-demand courses, purchase new equipment to give students better hands-on experiences and expand work experience opportunities. To increase the likelihood of student success, participants will get upfront assessments, career planning and job search support. Students will have the opportunity to accelerate through a two-year degree that is aligned with NSA guidelines for Security & Information Assurance programs. Virtual internships will also be offered to all students to increase their interaction with employers. In the next three years, the program intends to graduate nearly 2,000 students and employer partners have already committed to interviewing qualified graduates.

- **DLLR to receive part of grant funds to provide focused labor market information, data and training; DLLR also plans to work closely with Montgomery College and other community colleges to refer qualified candidates to the programs.** StateStat asked DLLR what role they will play in the distribution and use of the USDOL grant funds. The Department reported that the Division of Workforce Development and Adult Learning's Labor Market Information (LMI) unit is written into the TAACCT grant to provide LMI-related services; the Unit also provided data support for the application. The Department believes they will be allocated approximately \$172,532 for a contractual person, travel and supplies over three years. The overall goal would be to provide specialized IT and cyber-security focused LMI data and training. Steve Greenfield (Dean of Instruction at Montgomery College) has a series of meetings scheduled to firm up their work plan, which will include working with the Department on referring qualified candidates in DLLR's workforce programs, especially veterans, TAA and unemployed individuals. A staff member from the Department's LMI Office had a call with Dean Greenfield scheduled for Monday, October 6th to gather more information.



Correctional Education- Pilot Programs

- **StateStat and DLLR are working together to launch two higher education pilot programs in Maryland's prisons.** At the November 2013 DLLR Stat, StateStat reported that no Maryland inmate had completed an Associate's or Bachelor's Degree behind bars in recent history. At that time, StateStat asked DLLR to begin researching expanding higher education in Maryland's prisons through online programs, partnerships with community colleges, and any other applicable means. DLLR's Director of Correctional Education Alice Wirth has been working to identify higher education programs that can be implemented in Maryland's prisons.
- **Pilot at MCTC with Hagerstown Community College set to launch October 23rd.** Hagerstown Community College signed on to launch a 22-credit 'Desktop User Certificate' pilot program at MCTC. The program was originally scheduled to begin in August with 15 enrolled inmates. However, the launch date was delayed due to the inability of students to pay; HCC reported they need at least 10 paid students to launch the program. In an effort to enroll more students, Ms. Wirth worked with the Superintendent at MCTC to send out a survey to new arrivals at MCTC to determine if any were interested in the program. As a result, thirteen additional students have enrolled in the program bringing total enrollment to 23 students.

At the meeting, Ms. Wirth announced that thirteen inmates have paid for at least part of their courses enabling the program to officially begin this month.

MCTC Desktop User Certificate Pilot	
Partner	Hagerstown Community College
Cost	\$3,800/student
Credit Hours	22 credit hours
Students Enrolled through HCC	23
Students Paid	13 (6 paid in full, 7 paid in part)
Students Needed to Launch	10
Max Capacity	15
Launch Date	October 23rd

- **Seven students enrolled in an Anne Arundel Community College (AACC) pilot program; AACC awaiting payment from students.** DLLR and AACC are working on launching a 'Business Support Specialist' Certificate

program at JCI this fall. The 20-credit program can be applied to an Associate's of Business Management. 14 students took the first step toward enrolling in the program by taking the Accuplacer exam on August 27th. (The Accuplacer is a series of tests administered by The College Board that colleges and universities administer to determine students' writing and math skills and place them in courses accordingly.) Seven students passed both parts of the exam and have enrolled at AACC; two additional inmates were schedule to take the exam on October 1st. AACC has previously reported that they are willing to launch the program with eight students; however, as of early October, no students have paid for courses.

Ms. Wirth reported at the meeting that they are working with the inmates at JCI to secure payments and hope to launch the pilot on November 10th.

JCI Business Support Specialist Pilot	
Partner	Anne Arundel Community College
Cost	\$2,500/student plus \$625 for books
Credit Hours	20 credit hours
Students Enrolled	7
Students Paid	None as of 10/3
Students Needed to Launch	8
Max Capacity	
Launch Date	November 10th

- **DLLR may seek DBM funding to pay for empty seats and/or pay for seats if inmates drop out of the program.** The panel has previously asked the Department if any existing grant funds could be used to the fund the remaining seats in the program. The Department reported that there are no existing grant funds available for the program but that they are currently researching foundational funding opportunities. At the September ReEntry Stat, the Department discussed that even if they can get the program off the ground without state funding they may need to seek funding from DBM to keep the program going if any students drop out.

Ex-Offender Employment

Marketing

- **StateStat and DLLR working to promote ex-offender hiring in Maryland through new webpage and brochure.** At the summer meeting of the Correctional Education Council, the Council proposed an idea enabling employers to self-identify as willing to hire ex-offenders on the Maryland Workforce Exchange (MWE). The Department reported at the July DLLR Stat that many employers who are willing to hire ex-offenders do not want to identify themselves as "ex-offender friendly". Instead, the Department proposed creating an educational piece for employers to learn about hiring ex-offenders.

On July 23, staff from Correctional Education (CE), Maryland Reentry Initiative (MRI), Business Services (BS), and Communications met to brainstorm ways to publicize the advantages afforded businesses when hiring previously incarcerated individuals. The group proposed the following:

- **Webpage** – The [webpage](#) went live in mid-August and is linked through the Department's [Business Services page](#). StateStat found several issues with the page. First, it takes four carefully guided clicks to reach the webpage. Second, the title of the page, 'Recruitment of a Skilled Workforce to Meet Your Needs' is vague and does not provide any indication that the page is targeted towards helping ex-offenders obtain employment. And finally, the page briefly mentions how employers can benefit from the Maryland Federal Bonding Program but does not provide any contact information for the program or a link to application information. (The MD Federal Bonding Program provides Fidelity Bonds to employers who hire qualified job seekers who are ex-offenders as well as other high-risk applicants. Fidelity Bonds insure against any type of stealing by theft, forgery, larceny, or embezzlement; the bond is given to the employer free-of-charge for the first six months of a person's hire.)
- **Brochure** – To complement the webpage, DWDAL staff developed a [bi-fold brochure](#) based upon the webpage text. The Division reported that the brochure will be available via a hyperlink on the DLLR

website as well as will be widely distributed to the public via the American Job Centers, partner agencies, and at local job fairs and events. Additionally, DWDAL business services team members will utilize the brochures in their outreach to businesses and the Department will promote it through social media.

License Eligibility

- DLLR license applications ask applicants to ‘check’ boxes regarding criminal history and past drug offenses; Department should consider adopting a ‘ban the box’ policy.** One of DLLR’s core responsibilities is to provide both academic and vocational education to inmates in Maryland’s correctional facilities. The Department offers a variety of occupational skills training courses to help inmates develop vocational skills, secure state and/or national licenses and certifications, and find employment after release. Courses range from auto body repair to graphic art and design to pre-apprenticeship plumbing, electrical wiring, and masonry. A constituent recently raised a concern with StateStat regarding ex-offender eligibility for some of the licenses related to these occupational skills training programs. The constituent was concerned that Maryland was training inmates for licenses that they would be ineligible to receive upon release due to the criminal history. StateStat researched the issue and found that while nearly all licenses related to current occupational skills training programs require applicants to provide information about past criminal convictions none automatically disqualify applicants based on past convictions. Rather, nearly all licensing boards (also under DLLR’s supervisions) request court documents and other related materials from applicants and make decisions on a case-by-case basis. For example, applicants applying for a [Pre-Apprenticeship Plumbing License](#) must answer two questions regarding any past criminal convictions or drug offenses. If the applicant selects ‘yes’, the issuing board reserves the right to request additional information and pass judgement on a case-by-case basis.

Even though DLLR’s licensing boards do not automatically disqualify applicants due to criminal history, the simple act of having to check a box confirming a criminal history may be enough to dissuade some potential applicants from applying. Ten states and over 50 cities and counties have passed ‘ban the box’ legislation prohibiting employers from asking about criminal history in job applications; employers are not prohibited from asking about criminal history during job interviews or meetings. Last year, the General Assembly passed and Governor O’Malley signed [SB 4](#) prohibiting Maryland’s agencies from inquiring about criminal history in job applications until the applicant has been given the opportunity for an interview. The panel may wish to encourage the Department to follow suit and ‘ban the box’ from their own licensing applications.

Course*	State Certificate	Eligibility Requirements
State Licenses Issued by DLLR**		
Pre-Apprenticeship Masonry	Contractor or Subcontractor License through MHIC	✓ Applicant must submit documentation relating to conviction to the Board ✓ Case-by-case; Criminal history does not automatically disqualify applicant
Pre-Apprenticeship HVAC/R	Apprentice License- HVAC/R	
Pre-Apprenticeship Plumbing	Apprentice License- Plumbers	
Pre-Apprenticeship Residential Electrical Wiring	Master Electrician (NOTE: Some jurisdictions offer lower levels of electrical licenses)	
Pre-Apprenticeship Carpentry/ Woodworking and Finishing Carpentry	Contractor or Subcontractor License through MHIC	
Small Engine Repair	Stationary Engineer	
State Licenses Not Issued by DLLR		
Pre-Apprenticeship Sheet Metal Fabrication/ Pre-Apprenticeship Welding	American Welding Society Certificate (NOTE: SHA recognizes AWS certificates as the official state license for welding and sheet metal work.)	✓ Criminal record holds no bearing on eligibility for certification
Automotive Maintenance and Inspection/ Auto Body Repair	Authorized Inspection Station License issued by MSP	✓ Registration may be refused, revoked, or suspended if the registered inspection mechanic, controller, supervisor, or inspection station licensee, has been convicted of felony;

	(NOTE: This license is only for individuals wishing to own and operate an Inspection Station.)	assault; battery; a theft; a crime involving fraud; or a controlled dangerous substance (CDS) violation.
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*NOTE: The courses listed above are those that align themselves most closely with available state certifications and licenses. StateStat chose to focus solely on available state licenses.

**NOTE: DLLR also offers courses in General Construction, Roofing, Warehouse Distribution and Facilities and Building Maintenance. In Maryland, general construction and maintenance workers do not need a license.



Plumbers - Apprentice License Application

Required Information:

1. Have you ever been convicted of a felony or misdemeanor in any State, District of Columbia or Federal court? ☐ Yes ☐ No
2. Have you ever had this type of license denied, suspended, or revoked by Maryland, any other State or the District of Columbia? ☐ Yes ☐ No
3. Have you been convicted of or received probation before judgment of any drug offense committed after January 1, 1991? ☐ Yes ☐ No

GED

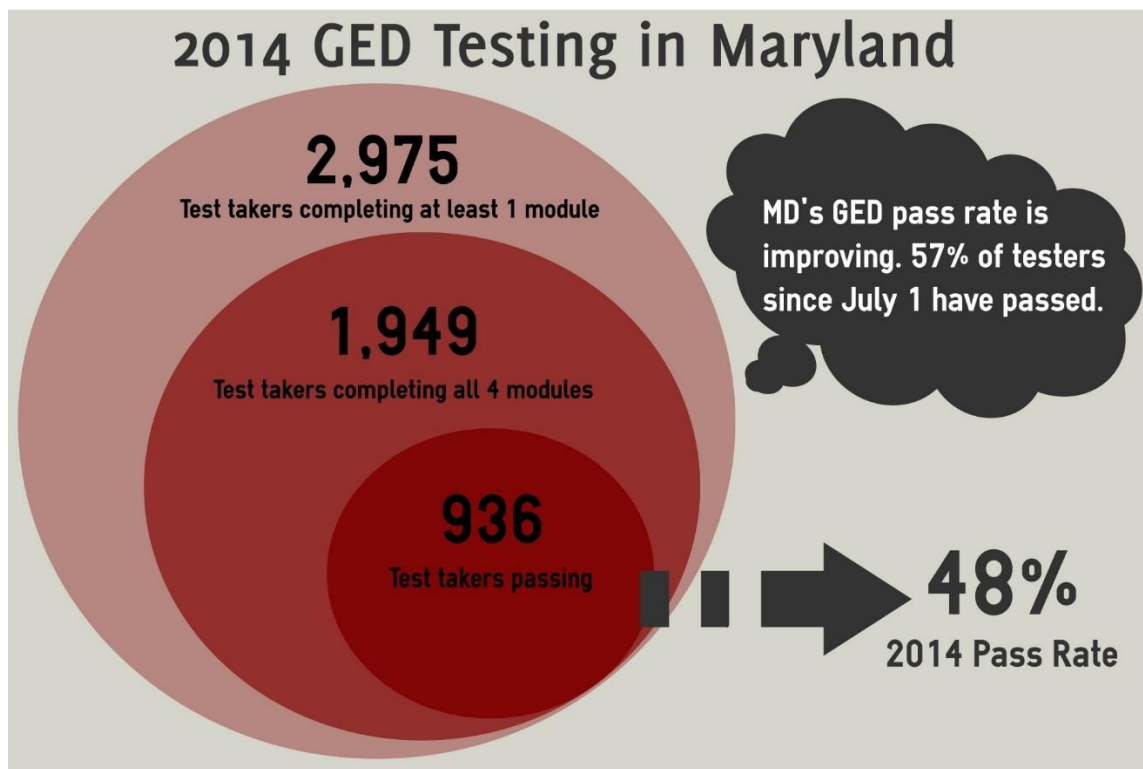
Subsidy Change

- **DLLR and StateStat working to improve Maryland's low GED pass rate by implementing a new policy promoting practice exams.** Earlier this year, StateStat reported that Maryland has the 46th lowest GED pass rate in the nation. As a result, DLLR and StateStat have been working together throughout the year to implement a number of policy changes to raise Maryland's GED pass rate. As of January 1st, 2014, the GED exam is only available as a computer-based exam. Maryland chooses to subsidize the cost of the exam charging test takers only \$45/exam, the same cost charged to test takers under the previous paper-based exam. (The new computer-based exam costs the state \$120/exam.) In an effort to encourage test preparation, StateStat proposed requiring test takers to complete an accredited test preparation program and/or pass an official GED practice exam to take the test at the subsidized rate.

The Department initially proposed implementing the new policy by July 1st, 2014. However, due to concerns among GED education providers, the majority of which receive federal grant funding administered by DLLR, the policy change was put on hold. (Education providers were concerned that the policy change would result in an overflow in test takers seeking services; in FY2013 the majority of education providers reported operating at maximum capacity and an all-time high of 8,000 students across the state were placed on waiting lists.) The Department sent a survey to all GED education providers over the summer soliciting feedback on the proposed policy change. Survey results as well as the draft policy were discussed with GED education providers at the September meeting of the Adult Learning Advisory Council. The Department's proposed subsidy change is as follows:

NEW GED SUBSIDY POLICY	
First Time Fee	\$11.25/module OR \$45/exam
Re-testing Fee <i>Testers Who Pass GED Ready*</i>	Two free re-tests/module NOTE: A tester is only eligible for a reduced fee, on any one module, three times per year.
Re-Testing Fee <i>Testers Who Do NOT Pass GED Ready</i>	\$10/module

*Candidates must take the GED Ready™ tests at a DLLR-approved testing center. Candidates must contact the program for details of test administration. A listing of the DLLR-approved testing centers is available online at: <http://www.dllr.state.md.us/gedmd/programs.shtml>. GED Ready™ fees may vary by provider



OLA Audit Finding

- **New audit of the Office of the Secretary (DLLR) finds that adult education and literacy service grants are not adequately monitored.** In August, the Office of Legislative Audits (OLA) released an audit of the Office of the Secretary, Divisions of Administration and Workforce Development and Learning; the audit covers the period from July 1, 2010 through June 30, 2014. OLA reported eight findings including two repeat findings. Half of the disclosed findings focus on IT deficiencies such as not adequately securing websites; these findings were discussed at the September DLLR Stat. OLA also found that the Division of Workforce Development and Adult Learning (DWDAL) was not adequately monitoring adult education and literacy grants.

In FY2013, the Division monitored 30 grant awards totaling approximately \$14.6 M. These grants are awarded to educational organizations in each jurisdiction (i.e. community colleges, non-profit organizations, etc.) to help fund classes for adults who are interested in improving basic skills in reading, writing and math, taking the GED exam, or learning to speak English. The grant awards are funded with both federal funds and State general funds and are based on a formula developed by the Division that considers both jurisdictional need (based on population data) and demand (based on student enrollment data). In regards to monitoring these grant recipients, OLA reported the following:

Finding #8: Adult education and literacy service grants were not adequately monitored.
Finding: DWDAL failed to obtain audits required of the three grantees receiving over \$500,000 in federal funds. The Federal government requires the Division to obtain annual financial and compliance audits from grantees awarded \$500,000 or more in federal funds.
DLLR Response: The Department stated they will specifically request the audits for the three grantees receiving over \$500,000 in federal funds. The audits will be reviewed by Division finance staff as well as Department budget staff.
Finding: DWDAL failed to verify that grantees not required to submit annual audits, i.e. those awarded less than \$500,000 in federal funds, were spending grant funds as intended. Although grantees are required to provide monthly expenditure reports, the Division did not require grantees to submit supporting documentation such as payroll records.
DLLR Response: Grant funded providers submit detailed annual reports to DLLR. Additionally, the Division started onsite fiscal monitoring and review visits last year. As of August, the Department reports that over a third of all grantees have been subject to this intensive monitoring. Priority programs were selected for the monitoring via a risk analysis checklist. All programs will be monitored on a three-year cycle.
Finding: DWDAL failed to verify the accuracy of annual student enrollment data self-reported by grantees. This data is used to determine the grantee award amounts.
DLLR Response: Grantees report student data via an online reporting system. Additionally, the grant administrator for each organization signs a data quality certification annually. As of 2014, DLLR reports they will verify the data by randomly selecting student names from the database and verify that enrollment and attendance forms signed by students are available onsite. For programs with 500 or fewer students, 5 records will be randomly selected. For programs with more than 500 students, 10 names will be randomly selected.

Living Wage Enforcement

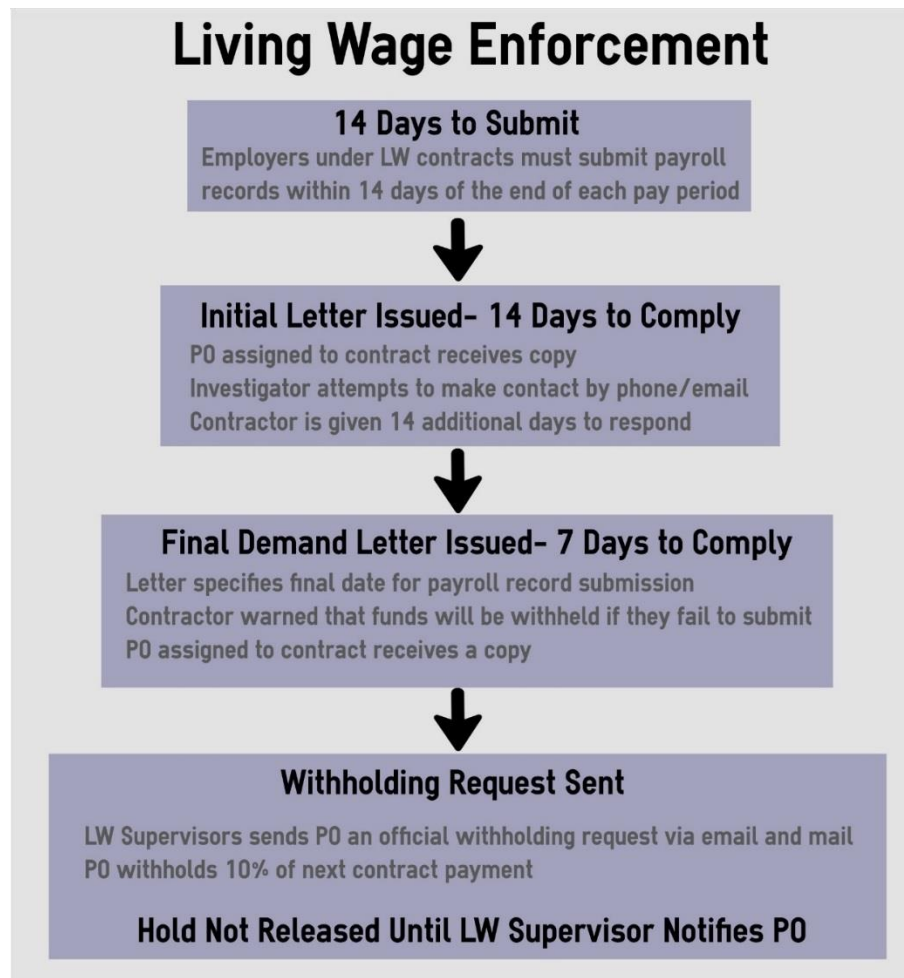
- **StateStat, DLLR and DoIT continue to work to increase enforcement of Maryland's Living Wage Law.** In 2007, under Governor O'Malley's leadership, Maryland became the first state in the nation to sign a living wage law requiring employers with state contracts to pay workers a 'living wage'; the amount of the living wage is determined by the contract site's location. DLLR is responsible for enforcing this law and reports on their enforcement activities to StateStat in the template each month. Earlier this year, StateStat analyzed the Department's enforcement efforts and found them to be significantly lacking. For example, in August there were 751 contractors holding living wage contracts. The Department was only able to verify that 89 of these 751 contractors, slightly under 12%, were in compliance with Maryland's living wage law. The Department has previously reported that they are unable to verify compliance with the law without contractors' payroll records. Until recently, the Department had no means to force payroll submission nor a modern system by which to efficiently collect and analyze these records.

In an effort to strengthen enforcement of our living wage law, StateStat worked with the Chief of Staff's office and the Governor's Legal Counsel to write and issue a directive to all cabinet members making submission of payroll records a contract requirement for all living wage contracts. The Department also began working with DoIT to create an electronic payroll system similar to the system used for prevailing wage contracts to streamline and expedite the submission and review of payroll records.

- **DLLR and DoIT expect the new electronic living wage system will be ready for testing by the end of the year.** DLLR and DoIT have been working together since July to develop an electronic system for submitting payroll records from living wage contracts. The project was initially delayed due to changes needed to FMIS to ensure the two systems will communicate seamlessly. DoIT reported at the September DLLR Stat that they system should be ready for testing with public users, i.e. vendors on living wage contracts, by the end of the year.
- **DLLR and StateStat working to develop a SOP for enforcing the requirements of Maryland's living wage law once the electronic system is operational.** The Department and StateStat have been working together since August to develop a standard operating procedure for enforcing the living wage law with the new electronic system. The

Department initially proposed the below 35-day enforcement process. At the September DLLR Stat, the panel expressed concerns with the final step in the process- penalizing contractors for failure to submit. The Department initially proposed fining non-compliant contractors \$10/day which is the amount withheld for prevailing wage law violators. The panel questioned whether a \$10/day fine was steep enough to encourage compliance. As a result, the Department agreed to change the penalty to 10 percent of the next contract payment.

StateStat asked the Department to consider a staggered penalty approach to promote compliance among habitual non-compliers. The Department reported in the follow-up to the September DLLR Stat that they prefer to stick with the flat 10 percent fee to ensure workers on state contracts continue to be paid and services continue to be rendered. StateStat is concerned, however, with how DLLR will work with contract Procurement Officers to ensure 10 percent of a non-compliant contractor's next payment is withheld. In the prevailing wage context, the Department has statutory authority to directly assess and collect penalties for late submission of payroll records from contractors independent of the contract payment schedule. The Department does not have statutory authority under the living wage law to directly assess and collect penalties for non-compliance and thus must rely on PO's to penalize contractors through contract payments.



Licensing- Tax Preparers

- **New Maryland Tax Preparers Licensing Exam completed and live as of October 1st.** Maryland is one of only four states that protect its tax payers by requiring individual tax preparers to pass an exam and register with the state. Tax preparers are regulated by the State Board of Individual Tax Preparers; Board members are appointed by the Governor. In March, StateStat reported that the federal exam Maryland used to license its tax preparers, the IRS Registered Tax Return Preparer Competency Test, was permanently suspended by the DC Circuit Court. As a result, DLLR released a RFP for a Tax Preparers Licensing Exam Service Contract on January 31. Two contractors submitted proposals by the February 28th deadline and the winner was selected on April 3rd. The Board of Public Works approved the contract with PSI Services LLC on June 18th. Exam development began July 1st and was completed October 1st. The exam consists of 130 multiple choice questions and has a three hour time limit. The exam costs \$65; there is no limit to how many times an applicant can take the exam but the fee must be paid each time. It will be offered at five locations across the

state five days a week. The Board has extended the date for which current registered tax preparers and new applicants have to pass the exams to December 31, 2015.

StateStat has previously asked the Department to consider incentivizing tax preparers' to complete the exam by December 31, **2014**, i.e. before the next tax season, to better protect Maryland tax payers. The Department responded in their follow-up that the Board is working with various industry associations, including the Maryland Society of Accountants, to alert tax preparers to the advantages of passing the test in 2014. Moreover, the Board sent an email blast on September 18, 2014, to all of its registered preparers. Finally, the Department issued a press release/social media blast on October 1, 2014, conveying this message to consumers and tax preparers.



Unemployment Insurance- Reversals

- **Nearly a third of Unemployment Insurance (UI) decisions reversed upon appeal in FY2014.** The Division of Unemployment Insurance within the Maryland Department of Labor, Licensing and Regulation handles all Unemployment Insurance claims and appeals for the state. Last fiscal year, the Division issued over 37,000 decisions in Unemployment Insurance Lower Appeals cases. Of these 37,000 decisions, more than 12,000 were decided favor of the appellant for a reversal rate of over 32%. The reversal rate for lower appeals decisions has been increasing steadily in Maryland for the past several years from a low of just under 30% in FY2011. Additionally, the increasing trend in successful appeals is continuing in FY2015; through September, appellants have won nearly 34% of all appeals filed.
- **Majority of appeals reversals caused by insufficient reporting information.** StateStat and DLLR have discussed at length the propelling causes behind the increasing reversal rate and the steps the state can take to turn the trend. These discussions have revealed that the main culprit in the increasing reversal rate is a lack of information at the time the initial decision is made regarding a discharged employee's eligibility for Unemployment Insurance benefits. While the majority of employers in appeals cases provide separation notices to the Department to aid in the UI decision, these notices often contain insufficient information. **The Department estimates that in June nearly 60 percent of initial UI decisions were made based all or partly on the claimant's statement because the employer failed to provide information in addition to the submitted separation notice.**

If, despite the Department's efforts, employers still fail to submit information in a timely manner, the Department may fine employers a \$15 late fee. This fee is set in statute- Labor and Employment, Title 8 Unemployment Insurance, Section 627. At the August DLLR Stat, the Division discussed the need to increase the fine or find some other way to

incentivize employers to submit information in a timely manner. StateStat asked the Division to research if there is any precedence for this in other states. The Division reported that least four states (Massachusetts, Oklahoma, Oregon and Utah) restrict employer rights to appeal UI decisions if there is not a timely response to requests for information. While restricting employers' rights to appeal UI decisions may have worked in these states the Department expressed concerns about the ability to pass a similar measure in Maryland. Deputy Chief of Staff Beane asked if there was a way to take a blended approach to increase employer compliance, i.e. blend fines against employers with modifications to their rights to appeal decisions. The panel also asked if there is a way to incentivize employers to submit information earlier, rather than just penalize them for failure to submit as with the current protocol.

- **The Department reported that they are taking a two-pronged approach to increasing employer compliance in UI cases with the end goal of lowering Maryland's reversal rate.** The Department's approach includes:
 1. **Implement federal law mandating that employers NOT be reimbursed for charges paid as a result of failure to submit information:** In response to this national problem of employer non-compliance, federal legislation was enacted in 2011 providing that employers' accounts would not be credited if benefits had been paid as a direct or indirect result of the failure of the employer or the employer's agent to provide timely or adequate information relating to a claim for benefits. This was conformity legislation which required it to be enacted in all jurisdictions administering unemployment insurance programs. The conforming state law became effective in Maryland in 2013. The Department reported that there are considerable challenges to implementing this law including:
 - a. Complexity of automating the charging provisions
 - b. Inflexibility of current aging UI benefit and tax systems
 - c. Need to develop protest and appeals procedures for employers protesting the charges

According to the Department, the majority of states are still working to implement this law. The National Foundation for Unemployment Compensation and Workers' Compensation, a national employers' group, compiled a survey of states' implementation of this law and all but a few states are struggling to incorporate this law into their states' processes. Maryland is currently working on the programming and procedures.

2. **Develop process to encourage employers to participate upon initial request:** DLLR reports that they have added a separate information sheet to all separation notices mailed to employers over the next several months, emphasizing the need to return the separation notice timely, and pointing out the preferred electronic filing technique that is available. The Department has also updated the DLLR website, making this same information more prominent. (This can be found under the UI tab.) Maureen O'Connor will be posting this information on the DLLR Facebook page. The Department also continues to highlight the need for employers to fully participate in the UI claims process through regular speaking engagements. These speaking engagements include local business groups, local human resource groups, Chamber of Commerce groups, Federal and State Taxation organizations, etc.

StateStat last discussed the UI Modernization Project with the Department at the [April DLLR Stat](#). The panel may recall that Maryland is leading a consortium of states to update their UI benefits, tax and appeals systems. The project is managed by Maryland, serving as the procuring state, and funded through USDOL grants. RFP's for Project Management and Design, Development and Implementation were released in April and June respectively. The UI Modernization Project, however, will not be complete for several years. The Department's immediate solution to curb the increasing reversal rate, as described above, is to improve marketing and communications with employers. While increasing communications with employers through letters attached to separation notices and social media blasts is a start it seems inadequate for tackle the problem at hand. The Department should be encouraged to expedite implementation of the federal law in order to attach penalties to employers' noncompliance. The Department should not lean on the fact that other states are also struggling with implementing the federal law as an excuse for their own lack of implementation. This is an opportunity for Maryland to be a leader among the states while better protecting our workers who rightfully deserve UI benefits and saving taxpayer money by lowering the appeals reversal rate.

Unemployment Insurance Lower Appeals

Reversal Rate Continues to Climb in FY2013

